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C O N F I D E N T I A L SECTION 01 OF 03 KATHMANDU 000213

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TAGS: [PGOV](#) [PTER](#) [KDEM](#) [IN](#) [NP](#)

SUBJECT: NEPAL: ELECTION FILING DEADLINE EXTENDED BUT NO
DEAL WITH MADHESIS

REF: A. KATHMANDU 198

[1](#)B. KATHMANDU 200

Classified By: Charge d'Affaires Randy W. Berry. Reasons 1.4 (b/d).

Summary

[1](#)1. (C) The first deadline for filing proportional representation (PR) candidate lists for the Constituent Assembly (CA) election passed on February 20 with submissions by 37 political parties. The three agitating United Democratic Madhesi Front (UDMF) parties decided not to file. At the request of the Interim Cabinet, the Election Commission granted a deadline extension to February 24. The Government of Nepal (GON) and the UDMF held several days of talks but have yet to resolve the UDMF's demands for a Madhes state and an increase in the threshold for avoiding quotas. The Indian Embassy hosted talks between the two sides, much to the ire of Nepalis. The Nepali Congress, Communist Party of Nepal - United Marxist Leninist, and Maoists appear to be preparing to submit candidate lists for the CA's 240 first-past-the-post seats on February 25 that guarantee none of their strong candidates would run against each other. The Terai continues to be crippled by the "bandh" (general strike) the UDMF instigated on February 13, which Kathmandu-based media have decided to downplay.

Parties File PR Candidate Lists

[1](#)2. (C) On February 20, 37 parties -- including all of the parties in the ruling Six-Party Alliance (SPA) and Maoist government as well as the parliamentary opposition National Democratic Party -- met the 5 p.m. deadline to file proportional representation (PR) lists with the Election Commission. Prime Minister and Nepali Congress (NC) President G.P. Koirala is on the NC's PR list, as is NC General Secretary K.B. Gurung. (Comment: The Prime Minister's decision not to contest from one of the individual constituencies is another sign of his poor health. He has indicated repeatedly to post over the last year that he does not wish to be re-elected. His goal is to hold the Constituent Assembly ((CA)) election and then step down. NC rank-and-file reportedly compelled him to appear at the top

of the party's PR list. End Comment.) Leading the Communist Party of Nepal - United Marxist Leninist (UML) list is Foreign Minister Sahana Pradhan. Other notables include party no. 2 Amrit Bohara, Nepal Federation of Indigenous Nationalities (NEFIN) chairman Pasang Sherpa (who complained to Emboff that he was not consulted), industrialist Binod Chaudhary, advocate Sapana Pradhan Malla, and student leaders Ram Kumar Jhankri and Rabindra Adhikari. Ideologue Mohan Baidhya (aka Kiran) is the prominent face on the Maoist list.

The vast majority of candidates from various disadvantaged groups on the party lists appear to have little or no connection to the groups whose quotas they are to fill, according to NEFIN senior adviser Krishna Bhattachan. Bhattachan predicted February 22 that they will simply rubber stamp party decisions rather than push group issues.

Madhesi Draw Line in the Sand; Deadline Extended

13. (C) None of the three constituent parties of the agitating United Democratic Madhesi Front (UDMF) filed candidate lists. Anil Jha, General Secretary of Sadbhavana Party, told the Charge February 21 that the UDMF parties were eager to participate in the election but needed an agreement with the Government of Nepal (GON). Jha, who is head of the UDMF talks team, was hopeful they could reach one. But by close of business on February 22, talks between the GON and Madhesi leaders were ongoing. On February 21, the cabinet asked the Election Commission to extend the deadline to file PR lists to February 24 to allow time for the Madhesi parties to file. The Election Commission complied. On February 22, the IFES country representative informed post the ballot printing process -- now the most critical part of the tight election timeline -- could absorb the four-day extension by

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shaving two days off printing and two days off distribution. Any further delays would force contingency planning and introduce the possibility that ballot printing would have to move to India -- unacceptable to the political parties -- or that the election would have to be postponed once again.

India Hosts GON-Madhesi Talks

14. (C) Talks between the GON and UDMF continued on February 22 with attempts at mediation by the Indian Embassy. Prime Minister Koirala's nephew, Dr. Shekhar Koirala, told Emboff on February 20 that Nepali Congress negotiations with the UDMF had yielded the outlines of an agreement. The main sticking points were the UDMF demand for a specific mention of a Madhes state and for a change in the electoral law to raise the threshold for avoiding various quotas on the PR candidate list. UDMF wanted to be able to submit an all-Madhesi list longer than the 20 percent (66) candidates authorized under the current law. Meanwhile, the Government of India demonstrated its seriousness about pushing an election, as evidenced by the arrival of Indian Foreign Secretary Shiv Shankar Menon in Kathmandu on February 20 and

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the postponement of the departure of Indian Ambassador Shiv Shankar Mukherjee until after the CA election. Embassy contacts reported widespread animosity among Nepalis when press reports revealed that Indians had convened negotiations at Ambassador Mukherjee's residence on the 20th. Resentment over perceived Indian meddling in the process combined with anger that the political parties appeared unwilling or unable to negotiate a solution without Indian involvement.

Major Parties Prepare Strategic First-Past-The-Post Lists

15. (C) Based on reports of draft NC, UML, and Maoist lists, it appeared that the leaders of the three major parties had struck a deal not to run strong candidates against each other

for first-past-the-post (FPTP) seats. FPTP candidacies are due to so-called "returning officers" in the various districts on February 25.. Senior party officials had confided privately over the past six months that this sort of arrangement was likely, although the number of seats to be handled this way was disputed. Commentators are already objecting that this will result in many of the same high-caste Bahun and Chhetri leaders being re-elected. According to the press, UML General Secretary M.K. Nepal will run in Kathmandu 2 and in Rautahat, in the central Terai. Maoist Supremo Pushpa Dahal (aka Prachanda) is expected to run in Kathmandu 6 or 10 and in Rolpa, and his deputy Dr. Baburam Bhattarai in Gorkha. Former Prime Minister Sher Bahadur Deuba (NC) is to contest in Dadeldura, in the far West, as in the past.

Bandh Continues in Terai...

16. (C) February 22 marked the tenth day of the UDMF's "bandh" (general strike) in the Terai. Embassy contacts reported that anti-bandh protests were increasing in the border region against a backdrop of rising prices, black market sales of gasoline and cooking gas, and school closures that prevented students from preparing for graduation exams. These same contacts stated that Madhesi leaders were preoccupied by negotiations with the SPA and Maoists in Kathmandu, leaving criminal groups to take over the strike. They questioned whether security would stabilize in the Terai even if the Madhesi leaders were able to strike a deal with the other political parties.

...But Media Downplay Significance

17. (C) Meanwhile, on February 22 National Democratic Institute Country Representative Dominic Cardy characterized Kathmandu-based media as in denial about the Terai. Cardy pointed out that, during the preceding week, the traditionally centrist daily Kantipur (Nepal's largest) and its English-language sister, the Kathmandu Post, had

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published erroneous stories claiming that the Interim Government and Madhesis had reached a deal, and that the region was returning to normal. He expressed concern that such poor reporting, which he described as an editorial decision, had undermined the GON-Madhesis talks and would further polarize relations between Madhesis and the government in Kathmandu and undermine the credibility of mainstream Nepali media. Cardy noted that a Kantipur vehicle had been attacked and burned by vengeful Terai residents.

Comment

18. (C) Although the two sides are close, the three agitating parties in the United Democratic Madhesi Front may be tempted not to strike a deal with the Nepali Government. They have, in a sense, the upper hand in the negotiations because, absent an agreement to their liking, they can prolong the general strike in the Terai through February 25 and prevent the registration of first-past-the-post lists in the stricken districts. By so doing, they could effectively force the postponement (again) or outright cancellation of the Constituent Assembly election. They are also aware that any agreement with the GON has the potential to backfire if they cannot sell the compromise back home in the Terai. Popular expectations among Madhesis are very high. This is one of the reasons why Madhesi leaders have been so eager to know from post if the United States would publicly support any deal. If they fail to reach agreement and fail to file any candidates, however, they run the risk of being blamed by other Nepalis for the election breakdown. This may make the politicians in power in Kathmandu even less inclined to accept Madhesi demands in the future and could even lead to

collapse of the Interim Government. We have stressed to our Madhesi contacts that this election and the CA, while far from perfect, offer them and other disadvantaged groups the opportunity to create a new, federal, democratic Nepal. Whether the Madhesi leaders are wise and courageous enough to seize the opportunity remains to be seen.

BERRY